



COLORADO
Department of Health Care
Policy & Financing

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Alternative Funding Strategies for Community Mental Health Centers During COVID-19 State of Emergency

Fact Sheet April 3, 2020

The Department of Health Care Policy and Financing (Department) recognizes that safety net providers play a unique role in our communities, particularly during state and national crises. The Department is committed to supporting the viability and sustainability of the state's safety net partners so they can effectively serve communities during the Coronavirus 2019 (COVID-19) crisis and in the future.

The Department is encouraging the Regional Accountable Entities (RAEs) to utilize alternative funding strategies available under the capitated behavioral health program to support Community Mental Health Centers (CMHCs) in creatively meeting Medicaid members' needs. As an example, RAEs may consider establishing sub-capitation arrangements with CMHCs in their region, while using different payment strategies for those CMHCs located outside their region with lower member visits.

To support the RAEs in implementing these alternative funding strategies, during this crisis period the Department is taking a number of steps. The Department will not require sub-capitation payments to be reconciled by the RAEs and will exclude the anomalous state of emergency months, as necessary, from consideration in Fiscal Year 2022 rate-setting.

The Department will continue to post updates on policies, codes, and other information important to providers on our [website](#) as it becomes available. We will continue to send out communications via bulletins and newsletters too and will post those on our [COVID-19 Resource Center](#). Please sign up for updates on our [news page](#).

